

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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**In re**

**WORLDCOM, INC., et al.,**

**Debtors.**

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**Chapter 11 Case No.**

**02-13533 (AJG)**

**(Jointly Administered)**

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**ORDER PURSUANT TO SECTIONS 363(b) AND 105(a) OF  
THE BANKRUPTCY CODE AUTHORIZING ESTABLISHING A  
KEY EMPLOYEE RETENTION PLAN**

Upon the motion, dated October 18, 2002 (the "Motion"), of WorldCom, Inc. and certain of its direct and indirect subsidiaries, as debtors and debtors in possession (collectively, "WorldCom" or the "Debtors"), for an order pursuant to sections 105(a) and 363 (b) of title 11 of the United States Code (the "Bankruptcy Code"), authorizing the Debtors to establish a retention plan for key employees (the "Retention Plan"), as more fully set forth in the Motion; and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided, and it appearing that no other or further notice need be provided; and the relief requested in the Motion being in the best interests of the Debtor, and its estates and creditors; and the Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before the Court (the "Hearing"); and the Court having determined that the legal and factual bases set forth in the Motion and at the

Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before the Court and after due deliberation and sufficient cause appearing therefore, it is

ORDERED that the Motion is granted, as modified on the record; and it is further

ORDERED that, pursuant to sections 363(b) and 105(a) of the Bankruptcy Code, the Retention Plan is hereby approved and ratified in all respects; and it is further

ORDERED that the Debtors are hereby authorized to execute, deliver implement and fully perform any and all instruments and documents and to take any and all actions necessary or appropriate to implement and effectuate the Retention Plan, including, without limitation, making the payments thereunder; and it is further

ORDERED that the Debtors are hereby authorized to continue to honor their obligations under their current severance program; and it is further

ORDERED that notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion; and it is further

ORDERED that the requirement under Rule 9013-1(b) of the Local Bankruptcy Rules for the Southern District of New York for the filing of a memorandum of law is waived.

Dated: New York, New York  
October 29, 2002

**s/Arthur J. Gonzalez**  
THE HONORABLE ARTHUR J. GONZALEZ  
UNITED STATES BANKRUPTCY JUDGE